# MAINE DEPARTMENT OF LABOR

Labor Market Information

# INSIDE . . .

York County recorded the lowest unemployment rate at 3.5 percent.....page 3

Adjusted statewide unemployment rate rose from 4.6 percent in June to 4.8 percent in July .....page 4

Nonfarm employment increased by 2,300 over the year.....page 6

A publication of the

#### Maine Department of Labor Labor Market Information Services

John Dorrer Division Director

Dana A. Evans Editor

The Maine Department of Labor provides equal opportunity employment and programs. Auxiliary aids and services provided to individuals with disabilities upon request.

#### For more information,

Telephone (207) 287-2271 FAX (207) 287-2947 TTY 1-800-794-1110 E-Mail: lmi.me@Maine.gov

Visit our Home Page at www.Maine.gov/labor/lmis

# LABOR MARKET DIGEST

July Data September 2006

# **Employee Benefits in Private Industry, March 2006**

Seventy-one percent of workers in private industry had access to employer-sponsored medical care plans, and 52 percent participated in medical care plans in March 2006, according to data released by the Bureau of Labor Statistics, U.S. Department of Labor. The large majority of employees covered by medical care plans were in plans requiring employee contributions for single coverage and family coverage. Employee contributions to medical care premiums averaged \$296.88 per month for family coverage; for single coverage, employee contributions averaged \$76.05 per month.

About half of private industry employees participated in an employer-provided retirement plan. Twenty percent of employees were in defined benefit plans and 43 percent were covered by defined contribution plans. (Some employees participate in both types.) The overall coverage of retirement plans has held relatively steady for the last few years. The mix of plans, however has changed. Defined benefit plans cover a smaller portion of workers than they did 10 years ago, while defined contribution plans cover a larger portion.

Access to and participation in benefit plans varied by occupational group, full-and part-time work schedule, union status, and earnings. For example, workers in white-collar occupations were more likely to participate in defined contribution plans than service workers. Union workers had higher rates of coverage for most benefits. Paid leave benefits (vacation, holidays, etc.) were commonly available to most workers regardless of occupation or union status but were reported less frequently for part-time and service workers.

in health care and retirement benefits, March 2006	
Retirement benefits Health	car

	Ret	irement l	enefits		Health c	are ber	nefits
Characteristics	All plans	Defined benefit	Defined contribution	Medical care	Dental care	Vision care	Outpatient prescription drug coverage
All employees	51%	20%	43%	52%	36%	22%	49%
Worker characteristics:							
White-collar occupations Blue-collar occupations Service occupations	60 52 24	22 25 7	53 40 20	57 60 27	41 38 18	24 25 13	54 57 27
Full time Part time	60 21	23 8	51 16	64 13	44 10	26 7	60 12
Union Nonunion	80 47	68 14	44 43	80 49	63 33	48 19	77 46
Average wage less than \$15 per hour Average wage \$15 per hour or higher	36 70	10 33	31 58	38 71	23 52	14 32	35 67
Geographic areas:  New England  Middle Atlantic  East North Central  West North Central  South Atlantic  East South Central  West South Central  Mountain  Pacific	50 55 56 56 49 47 43 52 47	19 26 24 20 16 14 15 18 20	43 43 46 47 43 42 37 46 38	51 52 53 50 53 55 49 51 55	41 35 36 34 33 37 27 36 44	21 24 21 17 20 26 15 24	48 48 52 48 49 53 44 49 52

Source: Employee Benefits in Private Industry, 2006, U.S. Department of Labor, Bureau of Labor Statistics.

# Civilian Labor Force, Employed, and Unemployed by Labor Market Area, Not Seasonally Adjusted

AREA	CIVILIAN LABOR FORCE <sup>1</sup>		R FORCE1		<b>EMPLOYE</b>	<b>)</b> 2	U	NEMPLOY		UNEMPLOYMENT RATE <sup>4</sup>			
7111271	Jul 06	Jun 06	Jul 05	Jul 06	Jun 06	Jul 05	Jul 06	Jun 06	Jul 05	Jul 06	Jun 06	Jul 05	
LABOR MARKET AREAS <sup>5</sup>													
Augusta	44,660	44,650	44,830	42,730	42,810	42,720	1,930	1,850	2,110	4.3%	4.1%	4.7%	
Augusta-Waterville Combined <sup>6</sup>	67,310	67,400	67,230	64,250	64,460	63,920	3,060	2,940	3,310	4.5	4.4	4.9	
Bangor	72,700	71,900	71,300	69,400	68,700	68,000	3,300	3,200	3,300	4.6	4.4	4.6	
Belfast	14,430	14,570	14,530	13,730	13,860	13,880	700	710	660	4.9	4.9	4.5	
Boothbay Harbor	5,560	5,220	5,680	5,400	5,050	5,530	160	170	150	2.9	3.3	2.7	
Bridgton-Paris	14,920	14,760	14,470	14,180	14,020	13,770	740	740	710	5.0	5.0	4.9	
Brunswick	35,170	35,290	35,230	33,750	33,880	33,750	1,420	1,420	1,490	4.0	4.0	4.2	
Calais	6,240	6,240	6,440	5,760	5,750	5,860	480	490	580	7.6	7.8	9.1	
Camden	8,880	8,870	8,740	8,540	8,540	8,450	320	330	290	3.6	3.7	3.3	
Conway, NH-ME <sup>7</sup>	4,240	3,980	4,330	4,100	3,860	4,190	140	120	140	3.3	3.1	3.2	
Dover-Foxcroft	9,600	9,680	9,560	8,990	9,110	8,910	600	580	650	6.3	6.0	6.8	
Ellsworth	33,790	32,470	34,320	32,470	31,130	32,940	1,320	1,340	1,380	3.9	4.1	4.0	
Farmington	17,220	17,350	17,380	16,160	16,310	16,370	1,060	1,040	1,020	6.1	6.0	5.8	
Houlton	8,630	8,740	8,350	7,960	8,050	7,730	680	690	630	7.8	7.9	7.5	
Lewiston-Auburn	58,100	57,800	57,700	55,400	55,100	54,900	2,800	2,700	2,800	4.8	4.6	4.8	
Lincoln	3,710	3,770	3,740	3,450	3,510	3,480	260	270	270	6.9	7.1	7.2	
Machias	8,370	8,360	8,720	7,830	7,840	8,130	540	520	580	6.4	6.2	6.7	
Madawaska	3,010	3,040	3,070	2,830	2,860	2,890	170	170	170	5.7	5.7	5.6	
Millinocket	4,310	4,250	4,340	3,950	3,860	3,940	360	390	400	8.4	9.1	9.3	
Pittsfield	7,540	7,700	7,790	7,050	7,230	7,220	490	470	570	6.5	6.1	7.3	
Portland-South Portland-Biddeford	213,600	210,600	213,600	206,200	203,200	206,000	7,500	7,300	7,600	3.5	3.5	3.6	
Portland-South Portland-													
Sanford Combined <sup>6</sup>	225,200	222,100	225,100	217,100	214,200	216,900	8,100	7,900	8,300	3.6	3.6	3.7	
Portsmouth, NH-ME <sup>7</sup>	9,810	9,750	9,680	9,520	9,470	9,370	290	270	310	3.0	2.8	3.2	
Presque Isle	25,340	25,270	25,090	23,660	23,550	23,510	1,680	1,720	1,580	6.6	6.8	6.3	
Rochester-Dover, NH-ME <sup>7</sup>	11,120	11,190	11,020	10,760	10,870	10,630	360	320	390	3.3	2.9	3.5	
Rockland	13,560	13,470	13,750	13,030	12,930	13,210	540	540	540	4.0	4.0	3.9	
Rumford	9,890	9,980	10,100	9,120	9,210	9,320	770	770	770	7.8	7.7	7.6	
Saint George	1,560	1,550	1,580	1,510	1,500	1,530	50	50	50	3.4	3.2	3.2	
Sanford	11,590	11,540	11,520	10,970	10,940	10,880	810	800	640	5.3	5.2	5.6	
Skowhegan	15,020	15,340	15,200	13,980	14,320	14,090	1,040	1,020	1,110	6.9	6.7	7.3	
Waldoboro	10,470	10,540	10,710	10,060	10,140	10,330	410	400	390	3.9	3.8	3.6	
Waterville	22,650	22,750	22,400	21,520	21,650	21,190	1,130	1,100	1,200	5.0	4.8	5.4	
York	20,310	19,170	20,160	19,740	18,600	19,550	570	570	610	2.8	3.0	3.0	
MAINE	732,600	726,200	731,800	700,000	694,100	698,500	32,600	32,100	33,300	4.4	4.4	4.5	
UNITED STATES (000)	153,208	152,557	151,122	145,606	145,216	143,283	7,602	7,341	7,839	5.0	4.8	5.2	

<sup>1</sup> Civilian labor force, employed, and unemployed estimates are by place of residence. Current year estimates are preliminary; year-ago estimates are revised. Items may not add due to rounding. All data exclude members of the Armed Forces.

Source: Maine Department of Labor, Labor Market Information Services, in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics.

<sup>&</sup>lt;sup>2</sup> Total employment includes nonfarm wage and salary workers, agricultural workers, unpaid family workers, domestics, the self employed, and workers involved in labor disputes.

People are classified as unemployed, regardless of their eligibility for unemployment benefits or public assistance, if they meet all of the following criteria: 1) they were not employed during the survey week; 2) they were available for work at that time; and 3) they made specific efforts to find employment some time during the prior four weeks. Persons laid off from their former jobs and awaiting recall and those expecting to report to a job within 30 days need not be looking for work to be counted as unemployed.

<sup>&</sup>lt;sup>4</sup> The unemployment rate is calculated by dividing the total number of unemployed by the total civilian labor force and is expressed as a percent.

<sup>5</sup> Bangor; Lewiston-Auburn; Portland-South Portland-Biddeford; Portsmouth, NH-ME; and Rochester-Dover, NH-ME are Metropolitan Statistical Areas. Augusta, Brunswick, Rockland, Sanford, and Waterville are Micropolitan Statistical Areas.

<sup>6</sup> Adjacent metropolitan and/or micropolitan statistical areas that have a specific level of economic integration, but still retain separate identities.

<sup>&</sup>lt;sup>7</sup> Maine portion of the area which includes towns in both Maine and New Hampshire.

# Civilian Labor Force, Employed, and Unemployed by County, Not Seasonally Adjusted<sup>1</sup>

AREA	CVIL	IAN LABOF	FORCE		EMPLOYED	)	ι	JNEMPLOY	ED	UNEM	PLOYMENT	RATE
	Jul 06	Jun 06	Jul 05	Jul 06	Jun 06	Jul 05	Jul 06	Jun 06	Jul 05	Jul 06	Jun 06	Jul 05
COUNTY												
Androscoggin	59,150	58,830	58,780	56,330	56,080	55,920	2,830	2,750	2,860	4.8%	4.7%	4.9%
Aroostook	36,000	36,060	35,590	33,580	33,570	33,290	2,420	2,480	2,300	6.7	6.9	6.5
Cumberland	164,310	162,190	164,110	158,430	156,400	158,210	5,880	5,780	5,900	3.6	3.6	3.6
Franklin	14,620	14,720	14,750	13,740	13,870	13,920	880	850	830	6.0	5.8	5.6
Hancock	33,740	32,450	34,260	32,460	31,150	32,890	1,280	1,300	1,370	3.8	4.0	4.0
Kennebec	64,610	64,710	64,570	61,690	61,880	61,420	2,920	2,820	3,150	4.5	4.4	4.9
Knox	23,280	23,180	23,400	22,400	22,300	22,540	880	880	860	3.8	3.8	3.7
Lincoln	20,400	20,130	20,770	19,650	19,390	20,030	750	740	740	3.7	3.7	3.6
Oxford	29,390	29,070	29,320	27,770	27,440	27,720	1,620	1,630	1,600	5.5	5.6	5.5
Penobscot	80,290	79,470	78,920	76,280	75,630	74,940	4,020	3,840	3,990	5.0	4.8	5.1
Piscataquis	7,640	7,720	7,640	7,170	7,260	7,110	460	460	530	6.0	6.0	7.0
Sagadahoc	19,210	19,260	19,260	18,440	18,510	18,440	770	760	820	4.0	3.9	4.3
Somerset	25,070	25,550	25,440	23,440	23,940	23,630	1,630	1,600	1,810	6.5	6.3	7.1
Waldo	20,470	20,590	20,540	19,480	19,590	19,600	990	990	940	4.8	4.8	4.6
Washington	15,580	15,550	16,070	14,450	14,410	14,840	1,130	1,130	1,230	7.2	7.3	7.6
York	118,850	116,710	118,420	114,680	112,680	114,060	4,170	4,030	4,360	3.5	3.5	3.7
MAINE	732,600	726,200	731,800	700,000	694,100	698,500	32,600	32,100	33,300	4.4	4.4	4.5
UNITED STATES (000)	153,208	152,557	151,122	145,606	145,216	143,283	7,602	7,341	7,839	5.0	4.8	5.2

<sup>&</sup>lt;sup>1</sup> See page 2 for footnotes 1 through 4 and source.

# **Area Analyst's Corner**

# Central Maine Merrill Huhtala (207) 287-4994

In Augusta, construction of the 42,000 square foot, \$9.9 million Kennebec Valley YMCA is nearing completion. Inland Hospital announced a \$2.45 million expansion of their emergency room in Waterville. Construction should begin in November. T-Mobile USA celebrated 12 months of operation in Oakland. Currently employing about 650, the company hopes to add an additional 50 workers. Union workers at Huhtamaki Consumer Packaging of Waterville and the Sappi Fine Paper Somerset Mill voted to ratify contracts between their employers and respective union locals.

## Western Maine Gerard Dennison (207) 753-9045

The Atrium Inn and Convention Center in Brunswick is expected to close in October 2006 and 25 workers will lose their jobs. The uncertainty over the BNAS base closing was cited as the reason for the closing.◆In August 2006 the Department of Defense released \$336 million to Bath Iron Works for final design work on the DDG-1000 destroyer. BIW and Ingalls will each build one DDG-1000 destroyer next year. The Pentagon is expected to release another \$78 million to BIW later this year for detailed design work.◆BIW was also awarded a U.S. Navy contract worth \$10.2 million toward contract work on the DDG-103, the USS Truxtun.

# North/East Maine Craig Holland (207) 941-3076

Mount Desert Island Biological Laboratory
has begun construction of a new 15,000
square foot research facility. When completed in 2008, research space will be increased
at the lab by more than twenty percent.
◆Jackson Laboratory has opened its new
\$26 million research facility on its Mount
Desert Island campus. The new facility will
enable the lab to add 125 positions to its current total of 1,300 employees.◆Lincoln

Paper & Tissue LLC. installed their new \$36 million tissue machine on schedule and it will be operational shortly. The tissue machine's activation will double the plant's capacity and add about 40 full-time workers to the plant's 354 employees.

## Southern Maine Gerard Dennison (207) 753-9045

Crazy Horse Custom Embroidery of Arundel was recently purchased by Military Accessories and Community Support (M.A.A.C.S) of Wells. Since the purchase, operating equipment has been updated and 13 jobs have been created. M.A.A.C.S supplies badges and nametags to the military, fire and EMS services, schools, and businesses.◆ITV Direct, based in Beverly, Massachusetts, is expanding its Biddeford operations into the former district courthouse on Washington Street. ITV Direct sells dietary supplements to television viewers. The company employees 30 workers at its Biddeford call center and expects to add up to 150 more employees in the immediate future.

# Civilian Labor Force, Employed, and Unemployed in Maine, Seasonally Adjusted (in thousands)

ITEM		2006								2005						
	Jul	Jun	May	Apr	Mar	Feb	Jan	Dec	Nov	0ct	Sep	Aug	Jul			
Civilian Labor Force	713.4	714.8	714.2	716.3	714.4	717.4	715.3	717.4	717.1	716.8	716.1	714.8	713.4			
Employed	679.2	681.7	682.5	686.4	684.9	684.7	683.1	683.8	683.1	681.7	680.4	679.2	678.3			
Unemployed	34.2	33.2	31.8	30.0	29.5	32.7	32.2	33.7	34.0	35.1	35.7	35.6	35.0			
Unemployment Rate (%)	4.8	4.6	4.4	4.2	4.1	4.6	4.5	4.7	4.7	4.9	5.0	5.0	4.9			

See page 2 for footnotes 1 through 4 and source.

# Nonfarm Wage and Salary Employment in Maine, Seasonally Adjusted<sup>1</sup> (in thousands)

INDUSTRY				2006				2005					
MDOOTHI	Jul	Jun	May	Apr	Mar	Feb	Jan	Dec	Nov	0ct	Sep	Aug	Jul
Nonfarm Wage and Salary Employment	614.9	613.7	613.8	613.1	611.0	611.3	611.3	612.3	612.1	610.9	611.6	611.5	611.6
Natural Resources	2.7	2.6	2.6	2.7	2.8	2.7	2.9	2.8	2.9	2.8	2.7	2.7	2.7
Construction	31.5	31.4	31.1	30.9	30.4	30.6	30.3	30.9	30.8	30.7	30.7	30.6	30.7
Manufacturing	59.3	59.0	59.4	59.5	59.4	59.6	59.6	59.8	59.8	59.8	60.4	60.8	61.5
Trade, Transportation and Public Utilities	124.8	124.5	125.2	125.5	125.7	125.6	125.9	126.1	125.7	125.3	125.1	124.9	124.9
Financial Activities	34.3	34.0	34.0	34.1	34.0	33.8	33.9	33.8	33.9	33.9	34.1	34.1	34.2
Professional and Business Services	52.1	51.6	51.6	51.2	50.8	50.5	50.5	50.5	50.6	50.4	50.4	50.4	50.4
Educational and Health Services	113.9	113.8	113.5	112.8	112.4	112.2	112.5	112.7	113.1	112.6	112.5	112.6	112.3
Leisure and Hospitality Services	58.9	58.9	58.8	59.4	58.6	58.7	58.7	59.5	58.9	58.3	59.0	59.0	58.9
Government	106.2	106.5	105.8	105.2	105.3	105.7	105.5	105.4	105.6	105.8	105.6	105.2	105.0

<sup>1</sup> See footnotes 1 and 2 on page 7. The nonfarm wage and salary estimate is seasonally adjusted independently. Not all supersectors are seasonally adjusted. Information and other services are not suitable for seasonal adjustment because they have very little seasonal and irregular movement. Source: see page 2.

# **Maine Unemployment Rate 4.8 Percent in July**

State Labor Commissioner Laura Fortman announced that the preliminary seasonally-adjusted July unemployment rate for Maine was 4.8 percent compared to 4.9 percent a year ago. Both the national and Maine unemployment rates rose from 4.6 percent in June to 4.8 percent in July.

"The trend of slow job growth continued in Maine as the number of seasonally-adjusted nonfarm wage and salary jobs rose by 1,200 between June and July to 614,900. Small gains were recorded by most of the major industries. The only job loss was recorded by government," said Commissioner Fortman.

Between July 2005 and July 2006 the total number of nonfarm wage and salary jobs rose by 3,300. Job gains were recorded in professional and business services, health care and social assistance, local government, and construction. Job losses were primarily in manufacturing.

Other New England states reporting a seasonally-adjusted unemployment rate for July include New Hampshire, 3.6 percent; Connecticut, 4.3 percent;

Massachusetts, 4.7 percent; and Rhode Island, 5.6 percent. The adjusted national rate for July was 4.8 percent, up from 4.6 percent for June and down from 5.0 percent for July 2005.

The not-seasonally-adjusted Maine unemployment rate for July was 4.4 percent, unchanged from 4.4 percent for June and down from 4.5 percent for July 2005. The unadjusted national rate was 5.0 percent for July, up from 4.8 percent for June and down from 5.2 percent for July 2005. Not-seasonally-adjusted July unemployment rates for Maine counties ranged from 3.5 percent in York County to 7.2 percent in Washington County.

Not-seasonally-adjusted nonfarm wage and salary jobs in Maine fell by 2,200 between June and July to 624,700. Local government jobs dropped by 13,500 due to seasonal reductions of nonprofessional staff in local schools. These losses were mostly offset by seasonal gains in leisure and hospitality services, retail trade, construction, and professional and business services.

# **Selected Regular Unemployment Compensation Program Indicators**

Key Data	Jul 2006	Jun 2006	Jul 2005
Average Duration	14.3	14.4	14.7
Average Weekly Benefit Amount*	\$238.85	\$239.47	\$236.28
Exhaustees	658	678	707

<sup>\*</sup> For totally unemployed claimants, excluding dependency allowances.

## **Weekly Initial Claims**

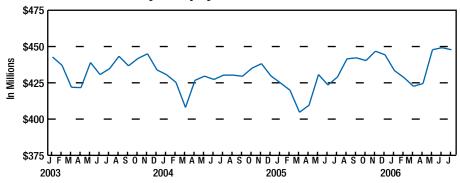
Week	8/12	8/5	7/29	7/22	7/15	7/8	7/1
2006	906	873	891	924	1,228	685	1,205
Week	8/13	8/6	7/30	7/23	7/16	7/9	7/2
2005	846	781	1,203	1,017	1,186	869	1,008

#### Continued Claims Less Partials\*

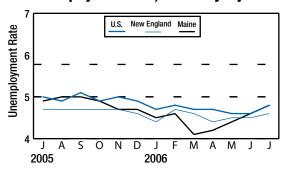
Jul 2006	Jun 2006	Jul 2005
6,746	6,866	6,909

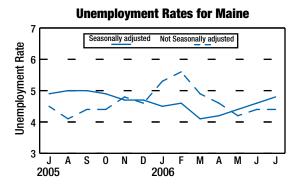
<sup>\*</sup> For the week including the 12th of the month.

#### **Monthly Unemployment Insurance Trust Fund Balance**



#### **Unemployment Rates, Seasonally Adjusted**





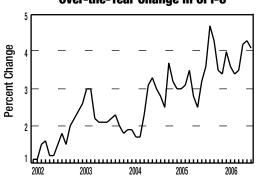
## **U.S. Consumer Price Index**

for all urban consumers (CPI-U)

Item	Jul 06	Jun 06	Jul 05	Dec 05
(1982-1984 = 100) All Items	203.5	202.9	195.8	196.8

Percent Change from Prior Month +0.3% Percent Change from 12 Months Ago +4.1% Percent change from Last December +3.4%

#### **Over-the-Year Change in CPI-U**



# Nonfarm Wage and Salary Employment, Not Seasonally Adjusted (in thousands)

1SA Jul 05 <b>65.0</b> <b>53.4</b> 7.2 0.3
65.0 53.4 7.2 0.3
<b>53.4</b> 7.2 0.3 3.2
7.2 0.3 3.2
0.3 3.2
3.2
3.7
0
57.8
15.4
2.5
9.8
3.1
1.5
2.3
,
,
5.8
0.0
,
,
13.5
13.0
•
5.6
,
,
•
,
2.1
,
11.6
1.2
5.8
٠.٠
0047****9**6*3***8***1*****0****7*524

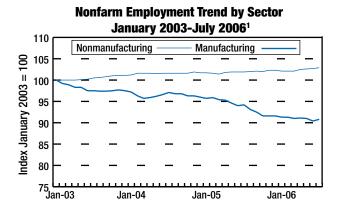
Footnotes: See page 7

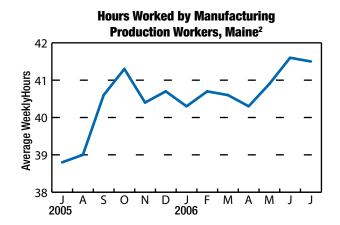
# Earnings and Hours of Production Workers in Manufacturing Industries<sup>1</sup> Not Seasonally Adjusted

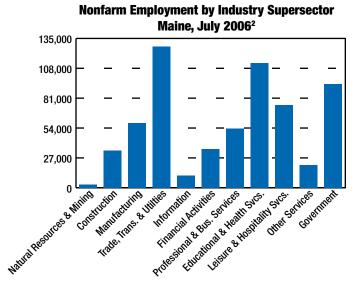
AREA AND INDUSTRY	AVERAGE WEEKLY EARNINGS		AVEI	AVERAGE WEEKLY HOURS			RAGE HO		ANNUAL AVERAGE HOURLY EARNINGS			
	Jul 06	Jun 06	Jul 05	Jul 06	Jun 06	Jul 05	Jul 06	Jun 06	Jul 05	2005	2004	2003
STATEWIDE												
Manufacturing	\$782.28	\$758.08	\$685.23	41.5	41.2	39.0	\$18.85	\$18.40	\$17.57	\$17.28	\$16.97	\$16.28
Durable Goods	764.36	747.14	657.13	41.7	41.6	38.7	18.33	17.96	16.98	16.77	16.78	16.24
Nondurable Goods	802.87	770.71	714.08	41.3	40.8	39.3	19.44	18.89	18.17	17.81	17.17	16.31
PORTLAND MSA												
Manufacturing	634.92	630.70	596.71	42.9	42.5	42.2	14.80	14.84	14.14	14.10	13.88	13.18

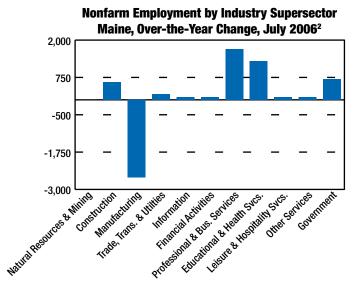
<sup>&</sup>lt;sup>1</sup> Hours worked and earnings data are computed based on payroll figures for the week including the 12th of the month for manufacturing production workers. Average hourly earnings are calculated on a gross basis, and include such factors as premium pay for overtime and shift differential, as well as changes in basic hourly and incentive rates of pay. Average weekly earnings are the product of weekly hours worked and hourly earnings.

Source: See page 2.









Footnotes: From page 6.

Source: See page 2.

<sup>&</sup>lt;sup>1</sup> Seasonally Adjusted. 2 Not Seasonally Adjusted.

<sup>&</sup>lt;sup>1</sup> Nonfarm wage and salary employment estimates include all full- and part-time wage and salary workers who worked during or received pay for the pay period which includes the 12th of the month. Domestic workers in private households, proprietors, the self-employed, and unpaid family workers are excluded. Estimates measure the number of jobs by industry. Current month's estimates are preliminary; prior month and year-ago estimates are revised. These estimates are benchmarked to March 2005. As a measure of reliability, the March 2005 benchmark revision for total nonfarm wage and salary employment was 1.2 percent lower than the original sample-based estimate.

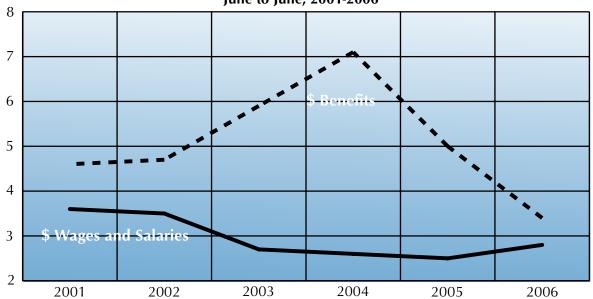
Regular teachers are included in summer months whether or not specifically paid in those months.

<sup>\*</sup> Where an employment estimate is not entered, either the data is not available in sufficient detail for publication or is nondisclosable by law.

# Wages and Salaries Increasing at Slower Rate Than Benefits

Benefit costs for civilian workers in the United States rose more rapidly than wages and salaries for the seventh consecutive year.

# Percent Changes in the Employment Cost Index for Wages and Salaries and Benefit Costs, Civilian Workers in the United States lune to lune, 2001-2006



The Employment Cost Index (ECI), a component of the National Compensation Survey, measures changes in compensation costs, which include wages, salaries, and employer costs for employee benefits.

The compensation gains for civilian workers for the year ending June 2006 was 3.0 percent compared to a 3.2 percent gain for the year ending June 2005.

The components of compensation differed in their rate of change. Increases in wages and salaries remained low. Benefit costs rose during the year at a reduced rate from the previous year. For civilian workers, wages and salaries rose 2.8 percent

in the year ending June 2006, compared with a gain of 2.5 percent increase for the year ending June 2005. Benefit costs increased 3.4 percent for the year ending June 2006, compared with an increase of 5.0 percent for the year ending June 2005.

These data are a product of the Bureau of Labor Statistics Employment Cost Trends program. Annual changes are June to June. "Civilian workers" include those in private industry and state and local government. The ECI excludes the self-employed and farm, private household, and Federal government employees.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

If you do NOT desire to continue receiving this publication, check here  $\square$  and return this cover to the address below. If your address has changed, please indicate change and return this cover to the address below.

Maine Department of Labor Labor Market Information Services 19 Union Street Augusta, Maine 04330-6826 PRESORTED FIRST CLASS MAIL POSTAGE AND FEES PAID US DEPT. OF LABOR PERMIT NO. G-12

OFFICIAL BUSINESS
PENALTY FOR PRIVATE USE \$300
RETURN SERVICE REQUESTED